Consolidation of Public Sector Banks

616. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a proposed to consolidate Public Sector Banks despite stiff opposition from staff unions;

(b) if so, the reasons therefor; and

(c) whether employees interests will be kept in mind if the proposal is implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) In his meeting with CEOs of Public Sector Banks (PSBs) held on 3rd June 2005, the Finance Minister advised the CEOs that before considering any proposal, the Unions (of Banks) may be suitably sensitised on the need and advantages of consolidation and their apprehensions may be allayed. Further, while supporting any merger proposal, Government will ensure that the interests of the stakeholders and employees of merging banks are adequately protected. Any such proposal for consolidation by way of merger etc. of one nationalised bank with another nationalised bank has to come from the management of the banks concerned, with Govt, playing a supportive role as the common shareholder. The Boards of Banks have to take a decision in this regard based on the synergy levels of merging/consolidating entities.

ATM facilities in U.P. and Bihar

617. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of FINANCE be pleased to state:

(a) the places in Uttar Pradesh and Bihar where ATM facility has been provided by different banks, bank-wise; and

(b) the plans for the current and the next financial year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b)The requisite information is given in the enclosed statement.